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LETTER II.

to

LORD VISCOUNT FOLKESTONE.

*On the Proceedings in Parliament,  
during the Session of 1819, relative  
to the Paper Money.*

North Hampstead, Long Island,  
22 July, 1819.

MY LORD,

In my last, I took notice only of the retractions of some of the heroes of the dungeon bill. In the present letter, it is my intention to observe upon the *grand plan*, which is to put all to rights. To be sure, it is very difficult to see what may be the precise effect of measures so strange and complicated. It is such an odd sort of way of getting to the point proposed; it is so round-about, so crooked, so out of all rule, that one can hardly say what it is likely to produce; but, it is quite easy to say what it will not produce, and that is, specie payments at the Borough-Bank.

During the Debates that now lie before me there were put forth such a multitude of opinions, differing from each other, that one would be astonished (if any thing in the way of absurdity, in those assemblies, could astonish us at this day) at the decision being by *unanimous vote*. This proves, that the decision was not the result of conviction, and forbids us to attach any weight to it. Indeed, the foolish, the contradictory, the childish conduct of those assemblies, for years past, makes us suspect the wisdom of all they say and of all they do; but, in short, what do we want more to induce us to disregard their decisions than the fact, that they have, by their measures, brought the nation into a state, which they themselves call distressed and ruinous, and which we know to be miserable beyond all example? They blame the Bank Directors for their conduct; but, the Bank-Directors, bad as they are, could not

have done the mischief, if the Boroughmongers had not authorized them to do the mischief.

The opinions and decisions of such people would be wholly unworthy of notice, were it not that they possessed *power* to do mischief. I will, for this reason, make some remarks upon the famous *plan*. But, as an introduction to these remarks, I must notice some opinions and notions, which appear to have led to the adoption of the plan.

It was said, on all sides, that the Borough-Bank might have resumed specie-payments in 1816; for that then *the paper was at par with gold*. Yes, it was at par with gold, but, it was only because specie-payments *had not taken place*. The Borough-Bank could not have ventured to pay in specie without providing itself with *more gold* than it then had. To have made this provision, it must have *issued a new batch of notes*, and this would, in an instant, have raised the gold above the paper; and would, of course, have made the Borough-Bank *unable to pay in specie*. The paper may be brought to a par with gold, and yet the Borough-Bank may be un-

able to pay in gold. Not only that Bank must be prepared for a *run*; but all the country-banks must also be prepared for a run. And, is it pretended, that all those banks were thus prepared in 1816? Nobody will have the impudence to pretend to believe any such a thing.

To be able to pay, really to pay, in specie, *there must be full as much gold afloat and in the Bank as there is of paper afloat*. Indeed there ought to be more gold than paper. And, it is pretended, that this was the case in 1816? As to the *people refusing gold and preferring paper*, the people had *no choice*. The thing was a mere trick. The tax-gatherers were ordered to refuse gold without weighing it: the Bankers played off the same trick. But the trick did not last. Gold was soon preferred to paper; and the gold soon wholly disappeared.

Besides, when it is said, that the Bank *could have paid in specie*, it appears to be forgotten, that the attempt to prepare to pay had plunged the country into the deepest of misery. The misery was at nearly the last stage of endurance at the close of 1816. A



very little harder pressing would have blown up the whole system. Farms were deserted. The paupers prouled from parish to parish. Society was nearly dissolved. What, then, would have been the case, if the Borough-Bank and all the Banks had enabled themselves to pay in reality? That the Banks could have paid we know well; for they *can* do it at any time; and your lordship *can* jump from the top of a chimney of Coleshill House; but, as to the *consequences*, that is a different matter.

The Borough-Bank has been blamed for issuing sovereigns without *contracting its issues of paper at the same time*. How was the Bank to get the sovereigns? It had *bought* them; and with *what*? Why, with notes, to be sure. So that it was impossible to lessen the *quantity of paper* by this operation. When, indeed, the Bank paid out sovereigns, it would, of course, receive back the paper which it had given for them; but *not all of it*; for by putting out paper to get the sovereigns, the Bank had made the paper be below par. When, therefore, the sovereigns got out, it was impossible that they could remain in

circulation, seeing that they *must* be, at once, at a premium; seeing that the golden pound must, at once, be worth more than the paper pound.

What wonder was it, therefore, that the sovereigns marched off to the mint of the Bourbons? The Bank might, indeed, have contracted its issues so as to have kept the sovereigns in the country; but, then, this contraction, together with that of the country-banks, would have produced all the miseries before-mentioned. It would have been the same thing as paying in specie. It would, if the people would have endured it, caused millions to die, being actually starved. The breaking of little banks, *in this country*, and at this season of the year, is, at this moment, producing, all of a sudden, most shocking misery. Men are prouling about *out of employ*. And this, though the national Bank pays in specie. But the *lessening of the quantity* of the circulating medium, no matter what that medium is, must of necessity produce such effects.

And, does your lordship really believe, that it can be *lessened* in England? Do you believe, that

specie-payments can take place *without a lessening?* How then can you believe, that the Borough-Bank and all the Banks could have paid in specie in 1816?

Lord Grenville said, that the paper-system *added* to the taxes. But how? Not in the way that he appeared to suppose. It has caused taxes to be *laid*, because it has enabled the Boroughmongers to borrow money for the purpose of paying soldiers, supporting French emigrants, larding the fat clergy of England, and granting sinecures and pensions to themselves and families and dependants. But, the money once borrowed, the taxes once laid, the more paper-money there is, the less is the real amount of those taxes. The price of all things rises; and, of course, fewer things of the same real value are wanted to discharge any given amount of tax. For instance, if I am a farmer, and my taxes amount to a hundred a year, I have two hundred bushels of wheat to part with in order to pay my taxes, if the wheat be ten shillings a bushel. But, if the quantity of money be augmented, so as to make wheat twenty shillings a bushel, I have *only* a hundred bushels of wheat

to part with, in order to pay my taxes.

Hence it was, that the taxes were paid, and cheerfully paid, until 1815; because, though their nominal amount was great, the great quantity of money enabled the people to pay. But now, when endeavours are making to pay in specie; when, of course, contractions of the paper are taking place; and when prices are, by these means, kept down, the taxes are greatly augmented, not by an increase, but by a diminution, of the quantity of the paper. And, my lord, do you believe, that specie-payments could, then, have taken place in 1816, and that the then nominal amount of the taxes could have been paid? Is it possible that your lordship can believe this?

Yet, this is JENKINSON'S notion *now!* And, indeed, it appears to be the notion of almost all the members of both Houses. What a monstrous notion!

Upon the nature of the paper-system generally, Lord Grenville observed, that it was, in all cases, a *bad system*; for that, though it gave the appearance of prosperity, though it enabled governments to carry on



war, and to do divers other things, for a while, it was sure to produce great calamities in the end. His Lordship made a long a-do in saying this. I have shown the thing a thousand times over. But, PAINE did it long before, when, in one short sentence, he told his readers, that, "*Paper money was strength in the beginning, and feebleness in the end:*" words which the Boroughmongers will soon have cause most feelingly to understand.

The strength of the Borough-Paper has been enjoyed; and now its feebleness has to be endured. It is now producing evils of every kind that can be imagined. It is ruining respectable families; it is pushing down the middling class of people; it is starving the labouring classes; it is filling the transportation ships, and making the gallows groan; it is breaking hearts by hundreds of thousands, and is arming the hand of self-destruction. A scourge far greater than the sword and the pestilence. To save themselves from the effects of this system, the people are, in all directions, fleeing to foreign lands; and England, which, in a few short months,

might, by wise measures, be restored to happiness, now resembles a city infected with the plague.

Now, as to the PLAN, the grand plan, which is to rescue the Borough-system from its perilous state; it is, as I understand it, as follows: — 1. That the Borough-Bank shall not pay in coin until the end of four years: 2. That it shall begin to pay its notes in bullion in February next, provided that those who demand such payment shall not demand less than sixty ounces at a time; and, even then, the Bank is to give four pounds and one shilling in its notes for an ounce of gold; or, in other words, is to receive its own notes at a discount of about five per centum: 3. That, from October 1820 to May 1821, the Bank is to pay in bullion of thirty ounces, and is to receive its notes at a discount of about two and a half per centum: 4. That in 1823, the Bank, the brave Borough-Bank, the Old Lady, is, without any reduction of Debt, to pay in coin!!!—If she do, I will give my poor body up to be broiled on one of Castlereagh's widest-ribbed gridirons.

Now this is the grand plan. This is the remedy unanimously adopted. This is what both bodies of wise-acres have agreed to. This is the rock of Boroughmonger salvation; and that this rock is all a *sham* I am now going to prove.—Indeed, this has been, a hundred times, proved before-hand; for all the notions, on which the plan is founded, have, over and over again, been, by me, proved to be false. The *effects* of the paper-system were, by repeating my opinions and words, pretty well described, during the debate; but, as to the remedy, every notion, on which it is founded, is false.

It is pretended, that the plan is founded on *evidence*. The evidence, which I have read till I am sick almost unto death, is a mass of heterogenous trash, such, I believe, as never was before compiled into a book. The witnesses contradict each other as to matters of fact as well as to matters of opinion; and every witness, either directly or by implication, contradicts himself over and over again. And, of the whole mass of the stuff, called evidence, there is not one sentence

worthy of attention, except the matters of fact, stated in the reply of the Directors of the Borough-Bank. In short, the stuff, called evidence, is a parcel of gabble from the lips of a set of stock-jobbers and loan-jobbers, who know very well how to suck blood out of the nation, but who know nothing of the means of putting blood into it.

Such is the *evidence*, on which this plan is founded; and, it must be confessed, the witnesses, the evidence, the committees and the plan, are all well worthy of being associated together.

The Plan, as a means of deceiving the people, might, if there were no one to expose it, answer its purpose for a short time. For, it puts off the day of real payment to a comfortable distance. The guilty always seek a distant day of trial. But, to have appointed the four *years*, without any intermediate steps, would have shook off a great many of the fools, who will now hang on to the system a little longer.

It is difficult, in all cases, to deal with an absurdity, and especially if the absurdity be compli-



cated. We are often puzzled by the silly things, which are propounded to us by children, or by men of childish minds. We can hardly bring ourselves to condescend to combat notions, which appear unworthy of rational beings. We are seized with listlessness and disgust upon such occasions; and we suffer the error to exist and prevail, rather than undertake the irksome task of correcting it. But, when the prevalence of error may possibly prolong the miseries of our country; and, moreover, when not to expose it is to give the enemies of our country *breathing time*; it becomes our duty to expose, however irksome and disgusting the task.

The state of the matter is this: there exists, in England, a paper-system, which is now, by both Houses of Parliament, declared to be the cause, or, at least, one great cause, of the ruin and misery, which now abound, and which, until of late years, never did so greatly abound in England. Both Houses agree, that, unless this system can be got rid of, the English nation must become, not only more and more miserable,

but, that, in the end, and at no very distant day, it must become a scene of political convulsion, or of the most abject subserviency to the will of other nations.

The object is, therefore, to get rid of this system. To effect this object, there is but one way, and that is to cause the paper-system to give way to a system of gold and silver, or, in a single word, *coin*. And, therefore, the measures of the parliament are intended to cause coin to come and take the place of paper, in a great degree, at least, in the circulation of the country.

There is a thing called the Bank, which has made and still makes the paper-money, and which sends forth that money instead of coin. It is clear, that, if the parliament can force the Bank to pay coin in exchange for its paper, the object of getting rid of the paper-system *can be accomplished*; but, if the parliament cannot do this, the getting rid of the paper-system *cannot be accomplished*. The heroes of the Dungeon-Bill say that they can force the Bank to pay in coin: I say they cannot. They have produced neither fact nor argument to

show that they *can*. Their evidence is not worth a straw; experience is directly against them; and not one single argument have they produced to *show*, to cause any one to believe, that they possess such ability. I might, therefore, dismiss the question at once, by calling them fools, or liars, and by appealing to events thus far in proof of the truth of my opinions and assertions. But, as in the instance of my letter to Mr. TIERNEY, I forego my right to indulge in idleness; and will once more prove, that the case of our enemies is desperate; a task which I undertake, not for the purpose of enlightening our friends of the "*Lower Orders*;" but for the purpose of making the knees of the Fitzwilliams knock together; for, you will please to observe, my Lord, that the Boroughmongers have now declared, that their Bank must pay in coin, or the country will be *wholly destroyed*; and, by the *country* these impudent men always mean *themselves*, except when they are talking of debts to be paid or of duties to be performed.

The plain state of the case, as to the ability of the Bank to pay in

coin, is this: the Borough-Bank and the other Banks have about a hundred millions of paper out.—But, though I believe not one single word, contained in any paper presented by the Borough-Bank, let us take that Bank alone, and let us give credit to its accounts. That Bank has, then, now afloat, twenty-five millions of its own paper. Before the stoppage, there were about from 20 to 30 millions in gold in the country, and eight millions in paper. *Less* than this sum will hardly do now; for, with this sum, the Borough-Bank was unable to stand a run of three days.

How, then, is the Borough-Bank to get all this quantity of gold into the country? It is not sufficient to get a little: a mere nest egg: a little to utter in the way of sham: enough to make a show. There must be gold to *circulate* throughout the country. And, how is this gold to be obtained? And *where* is it to be obtained?

It must come from other countries. There is only *so much* in the world; only *so much above ground*; this quantity cannot be speedily added to; out of the present merchantable quantity it must



come. If the Borough-Bank notes were really at par with gold at this moment, the price of gold would be *raised instantly* by the purchases that the Borough-Bank might make; so that, even in this bare and short view of the matter, the Bank notes would, at once, sink below par.

Besides, the gold must be bought with *a new issue of notes*; a parcel of notes, *making an addition to those now in circulation*; for, this parcel could not be withdrawn from circulation without putting the whole country into a state of the most horrible confusion. Thus, then, the Bank would have obtained some gold; but, it would have made such an addition to its notes as to cause the gold to be, at once, demanded and sent out of the country.

Whether the Bank would be able to issue gold in exchange for its notes at a discount of five per centum, and only in 60 ounce parcels, I am not quite sure; but, this is not *paying in specie*; nor is it any approach towards paying in specie. However, I do not believe, that even *this* can be done; for the Borough-Bank *must* purchase the gold, before it can issue

the bars of gold. It must issue paper to buy the gold with; and, will not this *lower* the value of the paper? And, how, then, is the Borough-Bank to face the demands of the 60 ounce gentlemen? It is true, that nobody but Jews and such like people will go for the 60 ounces; but *they* will go for them; and the Borough-Bank will be hard pushed, even in the first stage of the bullion trade.

What, then, is to happen in the subsequent stages? Is it not *impossible* for the Borough-Bank to pay? That is to say without total ruin to the nation? I perceive, that your Lordship has a plan of your own. Your plan is to *fix* the Bank paper at a discount of five per centum; to make the Bank always pay in Bullion at that rate; and to *forbid the Bank ever to pay in coin again!* This is a pretty plan enough, especially the latter part of it, which would be so very easy of execution, that it would be sure to be carried into effect. Your Lordship appears to have read old court-sycophant JENKINSON to some profit.

However this plan would fail, all except the last part of it, and that your Lordship will see before

this day twelve months. The Bank cannot pay in the 60 ounce way without first lessening the whole quantity of circulating medium; and, let them do *that*, if you *dare*. I dare you to it. I set all such plans at defiance.

The Borough-Bank Directors have put the question on the true footing. They say: "the object of inquiry now is *not* when the Bank will be prepared to resume payments in specie; but, whether the public will be able to bear that *reduction of the circulating medium*, which a *SPEEDY* adoption of the measure would render *indisputable*."

The word *SPEEDY* shall be more fully noticed by and by.

This is the true ground; for, it is impossible, turn the thing which way you will, for the Borough-Bank to possess the means of resuming cash payments without a great reduction of the quantity of the circulating medium; and, if such reduction take place, with a great reduction of the Debt, the country will be, by your own acts, plunged into confusion.

The Borough-Bank Directors use the word *SPEEDY* as a *saving* word. If they had not used some word, or words, to this amount, they would, in fact, have said, that they *never* could pay in specie without a reduction of the Debt, or without producing universal ruin and starvation. It

would have been better to say this at once; for this is the fact.

What do they mean by *SPEEDY*? What difference can it make in the end, whether the progress be quick or slow? The Borough-Bank has no gold. It acknowledges, that it has no gold. It says that it cannot pay. It must, in order to pay, *diminish the quantity of the circulating medium*; and will the public ruin be *less* because this diminution may take place by *slow degrees*? If I am a farmer, who would be totally ruined tomorrow, by a reduction of the circulating medium to the full extent required to enable the Bank to pay, will it better my lot if the reduction take place during the space of a year? To be sure I shall keep out of jail for 364 days longer: or, rather, I shall go into jail 364 days later; but, to jail I must go *at last*. The reducing of the quantity of the circulating medium is a drawing of the life-blood out of the nation. To draw it away all at once, as Dr. RUSH of Philadelphia used to do in the case of his Yellow-fever patients, would, as the Doctor's practice did, kill all at once; kill outright. But, a niggling at the vein every day for a long while, will, when the last drop comes, produce the same effect.

It appears to me, therefore, to be downright nonsense to talk about resuming cash-payments by



slow degrees, or by any degrees at all. And yet this nation, absurd as it is, seems to have prevailed in the adoption of the grand plan. And this, too, in the face of *experience*; recent experience. How, then, can any rational man place any confidence in the efficacy of such a plan?

Your Lordship did state one or two plain and undeniable truths; and, one of these was, that it would be the height of *injustice* to make the nation pay, in gold, interest on a Debt contracted in paper; and, if you had just observed, that you took this from the 25th Letter of "Paper against Gold," you would, on this occasion, have acted a manly part. But, my Lord, there is something else besides the interest of the Debt, which requires reducing. The *Hampshire Petition*, which had better luck than the Petition, which I sent to your Lordship, you will find, though very *long*, in the votes of the House of Commons of February, 1817; and that Petition contains the following words; words, which will, I trust, be remembered, when all the present gabble about *bullion* and *exchanges* and *market* and *mint prices* shall, for the honour of the nation, be wholly obliterated from our memory.

9. That, as to *Sinecures*, *Pensions*, and *Grants*, not fully merited by well-known public

services, your Petitioners do hope, that at a time like the present, your Honourable House will not suppose it possible that they can be endured, especially when your Honourable House sees, on the one hand, the poor-houses crowded with paupers who have seen better days, the jails swarming with debtors whom no degree of care and industry has been able to save from ruin, whole millions of starving creatures, who when they open their eyes in the morning, know not where to find the means of breaking their fast; and, when your Honourable House, turning to the other hand, sees the *Sinecurists*, *Pensioners* and *Grantees*, shining with all the brilliancy of wealth, and indulging in all the enjoyments of luxury, each individual of some of whom having, as your Petitioners are ready to prove at the bar of your Honourable House, received annually more money out of the public taxes than would be sufficient to maintain a thousand of the families who largely contribute towards the paying of those taxes; nor need your Petitioners remind your Honourable House that there are some of those individuals, each of whom has, within the last thirty years, received from the aforesaid source much more

“than half a million of principal  
“money, and if your Petitioners  
“were to say nearly a million of  
“money, their statement would  
“only approach nearer to the  
“truth.

“10. With regard to Salaries,  
“paid out of the Public Money,  
“your Petitioners beg leave hum-  
“bly to observe, that they have  
“only to refer your Honourable  
“House to your own Journals,  
“and to the Statute Book for the  
“space of the last twenty years,  
“in order to afford your Honour-  
“able House ample conviction  
“of the fact that the Salaries  
“of the Judges have been  
“doubled, that the salaries of the  
“Police Justices have been great-  
“ly augmented, and that a like  
“augmentation has taken place  
“in almost all other Salaries, and  
“in the pay and allowances of an  
“enormous Military Staff Esta-  
“blishment, and that all these  
“augmentations have been adopt-  
“ed upon the express ground of  
“the augmentation which had  
“taken place in the price of  
“wages, in the price of all arti-  
“cles of dress, in the rents of  
“houses and land, and in the  
“prices of all the necessaries of  
“life; and therefore, now, that  
“it is notorious that these latter  
“have all been diminished in the  
“degree of nearly one half,  
“your Petitioners will not insult  
“your Honourable House by ap-

“pearing to suppose that you will  
“refuse their humble request,  
“that the above said salaries and  
“pay may be immediately re-  
“duced in the same degree.

“11. And, as to the interest on  
“the annuities constituting the  
“Funded Debt, your Petitioners,  
“agreeing in opinion with a  
“noble Earl of the other house  
“of Parliament, that the cur-  
“rency of the country had  
“been changed, that the taxes,  
“which were imposed in a cur-  
“rency of low value, are now  
“collected in a currency of high  
“value, beg leave to observe also,  
“that the far greater part of the  
“Debt, which was contracted in  
“low currency, is now paid an in-  
“terest for, by the People, in a high  
“currency, and that this, the  
“greatest of all the causes of  
“the Nation's ruin, has arisen  
“from the stoppage of Cash  
“payments at the Bank of  
“England, in the year 1797,  
“a stoppage in breach of the  
“Charter of the Bank Company, in  
“breach of all the Laws of Debtor  
“and Creditor, tending only to  
“the advantage of the Bank Com-  
“pany itself, and solicited, and  
“procured to be sanctioned, by  
“that Company. Therefore, your  
“Petitioners most humbly pray  
“that the rate of interest on the  
“Funded Debt may be immedi-  
“ately reduced, in such a degree  
“that the fruit of the whole pro-



ductive labour of the Country may no longer be swallowed up by the dealers in Bank Paper, or, to adopt the words of a Petition, received by the House of Commons from the town of Leicester, at the time of the South Sea Bubble, your petitioners most humbly implore your Honourable House, 'that the last drop of the nation's blood may not be poured out to be licked up by the Cannibals of Change Alley.'

I am very far indeed from being satisfied with the reduction, mentioned by you, my Lord. My Petition of 1818, which your Lordship refused to present because it was too long, contains a prayer for a measure, which would be just, as far as it went; but, indeed, the measures, humbly submitted by me, in my letters, of last winter, to the Prince Regent, contain the *only plan*, which, in my opinion, can prevent a bloody revolution in England.

Nevertheless, the sapient JENKINSON will not hear of a reduction of the value of the circulating medium upon your plan and that of my Lord Little-Shilling of Birmingham; for, this latter nobleman's project is precisely the same as yours in principle, though the two projects differ in degree. You are for making gold pass at six shillings an ounce more than its actual value, and Lord Little-

Shilling is for making a shilling pass for eighteen pence. Oh! no, says wise Jenkinson, we must come back to the *old standard!*—and while Grenville is bawling aloud, that the Bank *has caused* a violation of all contracts, Jenkinson insists, that no contracts shall be violated with the Fund-holders or other lenders of money.

If this man be in his *usual senses*, what a state must England be in, to have such a *prime minister*? It is clear to me, and I think it must be clear to every one, that the Borough-Bank can never *pay in specie*, without bringing wheat down to *five shillings a bushel*. And, can the interest of the Debt be paid with wheat at that price? This is the question and the only question to keep in view. And, indeed, this is the question, which the Borough-Bank Directors have in substance, put to the committees of the two Houses.

However, your Lordship's project of debasing the currency would not succeed. You have borrowed from me (without acknowledgement) a sound principle or two; but your application of them is *all your own*; and it is childish beyond all description.

All the obstacles to the obtaining of coin, on the part of the Borough-Bank, applies to the obtaining of bullion. It is agreed, on all hands, that the Bank *has not the bullion now*. The paper is

now at discount of about five per centum, and there you wish to *keep it by law*. And yet you wish, by the same law, to compel the Bank to *pay in Bullion*. So you think, that, because the gold is *now* at this discount, it will not get to a greater discount, when the Bank shall be compelled to pay in bullion. Before it can pay in bullion, it must *buy* bullion, if you please; for, though acts can be passed to put men into dungeons, no acts can put gold bullion into the Borough-Bank, without the Bank's first *buying* the gold *first*. Now, this very proceeding of buying the gold will raise the value of the gold abroad, and sink the value of the paper at home; for, the wise and omnipotent parliament, all-wise and all-powerful as it is, cannot, by any means prevent this effect.

But, my Lord, I am weary of proving the truth of these opinions. Look again at "*Paper against Gold*." Look at the supposed case, in that work, of our old friend, MADAM DE YONG, selling gold to the Bank. Look at my *Letter to Tierney*. And then look at the confessions, which the stupidity of the Borough-tyrants has extorted from the Directors of the Borough Bank. Look at these, my Lord Folkestone, and then you will, I hope, clearly see the childishness of your project.

Well, then, after all, how is any such plan to succeed; and indeed, how is it ever to have effect in any degree? Things utterly *impossible* are required by these plans. They require, that the Borough Bank shall pay in gold; and yet that it shall *not increase* the amount of its notes; though it is clear as the sun at noon-day, that the Bank has *not the gold now*, and that it cannot get it without *first* putting out more notes than it now has out to get the gold with. Does there need any thing more to show the monstrous, the brutal, absurdity of such a plan, and of every plan of a similar description?

There is, however, one thing yet to notice; one little rag in this bundle of frauds and blunders, and that is, that the Borough Bank will be enabled to pay in bullion, or specie, or in both, by the means of payments to be made to it by the thing that is called *the government*. Now, how does this matter stand? The government has to pay an army, judges, police-justices, placemen, pensioners, Olivers, Castleses, and on; and in order to do this, it has always, in advance of the taxes, a parcel of Bank Notes from the Borough-Bank. This is precisely the same thing as it would be for the government to issue the notes themselves.

Well; how is the government



to pay the Bank for these advances? Why, by suffering the Bank to keep the *ten millions* (suppose that to be the sum) of its notes, when they come in, and not advance them again. But, how is the government then, to pay Castles, Oliver, and the rest? Why, it must make a *loan*; and how is the loan to be paid? Why, by heavens, in *new advances of notes*, or not at all!

No, say you, the loan may be paid in another way. Well, suppose there to be *no loan* for a while; what then; why, at the very least, the ten millions would be taken out of circulation; the circulating medium would be diminished in a great degree; and the consequence would be distress and misery far surpassing that of 1816.

Thus, then, is the system fairly on the breakers. It has, ever since 1814, been endeavouring to get off; but, there it still lies, rocking and rolling, and beating itself about, with ever and anon a shot fired into it by me, striking it, sometimes in the rigging, and sometimes in the hull: and, with the lightning of the "*Puff-out*," constantly threatening it with instant destruction.

Yet, my Lord, on the safety of this system, so perilously situated, the safety of the Borough-System wholly depends. Not one week can the latter outlive the former.

It would, therefore, if the Boroughmongers had common sense, be their object, their main object, to inquire how they can so manage matters as to preserve their *titles* and *estates* amidst the convulsions, which the dissolution of the Paper-System will give rise to. But, perhaps, I may treat of this matter in another Register; though, what the Boroughmongers shall do in such a case is a matter of far less consequence than what shall be done by the king and his oppressed people.

It is clear to every man of common sense, that the nation cannot go on in the present path for any length of time. A *great change* must take place; and whether that change shall produce the total ruin and degradation of the order, to which your lordship belongs, will depend, even now, on the conduct pursued by that order. Scourges, dungeons, gags, halters, axes, will no longer be of any avail. A nation cannot be *killed*; and, killed the English nation must be now, or it must and will have its rights.

Every day's experience tends to add, if that be possible, to the hatred and contempt, which the people have long justly entertained towards those, who have been the cause of their sufferings. The gabbling about *exchanges* and *bullion* and *market-prices* of gold and silver is as ridiculous as the

disputes of Milton's Devils about *grace, free-will, free-knowledge and predestination*; and the situation of those Devils does, upon the whole, afford no very imperfect resemblance of that of the inhabitants of the pandimonium of paper-money.

Who can have any respect for men, who, though differing as widely from each other as opposite colours differ; whose principles all differ; whose opinions as to effects differ; and yet who came to an *unanimous decision*: whose fears haunt them to that degree, that they dare not even back their declared opinions with their votes? It was echoed about that you must *look your situation in the face*. Faith; you dare as much look death in the face. I have, over and over again, held up its face to you; and you have constantly turned away your eyes.

And this, I am disposed to think

will be your conduct to the last moment. "In all human probability, the whole of the interest of the Debt, and all the sinecures and pensions and salaries, and also the expences of a thundering standing army, will continue to be made up, by taxes, by loans, by Exchequer Bills, by every species of contrivance, to the latest possible moment, and until the whole of the paper system, amidst the war of opinions, of projects, of interests and of passion, shall go to pieces like a ship upon the rocks." This, my lord, was my prediction, in that address, which contained my *taking-leave* of England a little more than two years ago; and, perhaps, before I again see the shores of that beloved land, short as the interval may be, the prediction will have been completely fulfilled.

WM. COBBETT.

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